



State of Alaska, Department of Health and Social Services Office of Children's Services

Family Nutrition Services / WIC Program Internet: http://www.hss.state.ak.us/ocs/nutri/WIC

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 State WIC Program to Implement New Banking Contract

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Please post this
where it will be seen and
read by employees.
This newsletter serves as
required vendor
training.



## State WIC Program to Implement New Banking Contract

The Alaska WIC program has started working on the planning and implementation process for changing the way Alaska WIC warrants are redeemed by vendors, with a target implementation date of September 1, 2007. Letters were recently sent to all authorized vendors and/or their corporate contacts regarding the new procedures and requesting bank information.

The most significant change for authorized WIC vendors is that this will be a "pre-edit" system, in which **all** WIC warrants will be screened by the bank prior to payment. WIC warrants that do not have any errors identified will be paid as usual. Warrants found to have any of the errors specified by the State WIC program, will be "rejected" by KeyBank and returned to the vendor's bank of deposit.

## **NEW VENDOR NUMBER STAMPS**

All WIC vendors will be receiving new vendor number stamps. Your store's vendor number will remain the same. The new stamps are in a larger font to improve readability for the bank and help with WIC warrant reconciliation.

Vendors are asked to return their old stamps to the State office for recycling after they have received their new stamps.

Remember, the vendor ID number must be stamped in the box just below the amount on the front of each WIC warrant before deposit. Improper WIC warrant redemption such as missing, illegible or incorrectly placed Vendor ID numbers, may result in monetary claims from the State agency. After September 1, 2007, if any of the above errors are made, the warrant will be returned unpaid.

There are three basic scenarios for how rejected warrants will be handled:

- "Fatal" redemption errors; the warrant will not be paid and the vendor cannot re-deposit the warrant. (For example, missing the signature or redeemed outside the valid dates.)
- 2) Other types of errors may be corrected by the vendor and the warrant deposited a second time; (for instance, a missing or illegible vendor stamp).
- Warrants with total amounts higher than the "Not to Exceed" price (or "NTE") for the vendors peer group and the specific type of warrant, (which depends on the food items listed), will be rejected but KeyBank will retain the information. On a weekly basis, KeyBank will process payment of these warrants at the maximum allowable level by means of an ACH (Automated Clearing House) transaction to the bank specified for the vendor. The vendor and/or corporate office will also receive a report listing the warrants that were rejected for exceeding the NTE and included in the ACH payment.

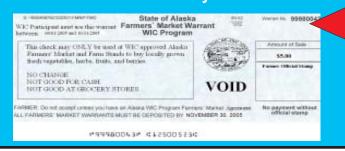
WIC anticipates teleconferences will be scheduled at a later date to provide further information and an opportunity for vendor questions and concerns to be addressed.



## The WIC Farmers' Market Nutrition Program runs from June 1, 2007 to October 31, 2007 Do not accept Farmers' Market Warrants at your store!

### Look for these differences:

- "Farmers' Market Warrant" printed at top
- Amount is printed as \$5.00
- Box at left of warrant with FMNP rules
- No signature line



# Cashier procedures to help prevent "rejected" warrants



- √ Check participant's ID
- V Check dates printed on the warrant; do not accept a warrant before the first date or after the last date printed on the warrant
  - the bank will reject warrants taken outside the valid dates
- $\sqrt{}$  Compare the amounts and types of foods selected by the participant with the items printed on the warrant
- √ Process each warrant separately
  - combining more than one warrant or charging for foods not listed on a warrant, could cause the total amount to be higher than the "not to exceed" price for that warrant type
- Write the total amount of sale for the items purchased on the warrant clearly and legibly
  - the bank will reject warrants when the actual purchase price is missing
  - if the price is misread by the bank, the warrant could be rejected
- √ Have participant sign and date the warrant and compare the signature with the participant's ID
  - the bank will reject warrants without signature of participant, guardian or alternate
- √ Stamp your vendor number clearly on the warrant in the box below the amount of sale before deposit
  - the bank will reject warrants with missing, illegible, or invalid vendor stamp ID numbers

### **Vendor Staff Contact Information**

Vendor Coordinator, Christine Blanchfield (907) 465–8630 christine\_blanchfield@health.state.ak.us

Ass't Vendor Coordinator, Diane VanEpps (907) 465-4704 diane\_vanepps@health.state.ak.us

Admin Clerk, Coriann Fischer (907) 465-3388 coriann fischer@health.state.ak.us

This institution is an equal opportunity provider.

#### Have you seen the New Food Lists?

New WIC food lists were mailed to all vendors on March 1, 2007. There is a three month transition period, ending May 31, 2007, during which WIC participants may use the old or the new food list.

As of June 1, 2007, the "blue" food list dated November 1, 2005 can no longer be used. Please discard any of the 2005 food lists you have on hand at that time.

If your store did not receive the new Cashier food lists, please contact our office at 465-3100.



Old - Food List March 1, 2005



New - Food List March 1, 2007

### **Infant Formula Update**

Alaska WIC will implement a new infant formula rebate contract with Ross Products, maker of Similac, effective October 1, 2007. WIC participants will not be transitioning from Enfamil to Similac prior to that date, unless medically prescribed.

To ensure participants are able to get the formulas on their September warrants, vendors **must** continue to maintain the required minimum stock of Mead Johnson formulas until Oct. 1, 2007. (most common formulas pictured at right)

More details on the contract infant formula transition will be sent to vendors in June.



